

## **Testimony to the Philadelphia City Council on Increasing Millage Rate**

**Presented by Donna Cooper, Executive Director, Children First**

**April 30, 2025**

On behalf of Children First, I am Donna Cooper here today to ask this council to continue to increase local funds for the school district by increasing the millage transfer by at least 1%, which adds \$25 million to operate our public schools. We thank the Chair of the Education Committee for being clear that poverty and education are the biggest challenges for the city and funding the schools with more city resources tackles both problems. And we appreciate all this council has done to get to a historic high for the amount of funds for the schools.

I want you to know we are loading up buses from across the state to also secure more than \$200 million in new funds from the state. Your increase and the state are urgently needed for the district as everyone who has already testified has demonstrated.

In my neighborhood, in Councilman Young's district, I also want you to know that I don't hear anyone clamoring for tax cuts. I am active in my neighborhood organizations and to a person, they want better schools.

In the last decade the city budget office has underestimated expected revenues for the next fiscal year nearly every year. Doing so can cause some on Council to get skittish about adding funds above what the Mayor proposes. I urge you to look at the numbers yourself to get the confidence you can to responsibly make these funds available. Case in point: the documents for FY 26 prepared by the budget office project less general fund revenues collected next year compared to this year. This is in spite of the fact that as of the last revenue department report, revenues are coming in over the FY 25 estimates. Meanwhile city revenue collections are stronger than the current year estimate already.

Some members of council know that revenues are strong. Their confidence in city revenues is demonstrated by the out-loud discussion of tax cuts to BIRT, property, or wage taxes while our schools are starved. The best economic development and family-friendly strategy for this city's growth is improving the resources for our schools.

You heard that enrollment is growing and achievement is up. Make a decision to increase the millage transfer before examining how to pay for tax cuts because that's what the more than 250,000 parents and caregivers of children in this city need and want you to do.

In the next school year, the district's projected fund balance will be at or just under the state's recommended level of 8% -- a level suggested so that emergencies can be addressed and as you know the district has plenty of those. In fact, that fund balance is enough to support the operation the district for 3 weeks. Given what the President Trump is planning to do, even these reserves won't be enough for that emergency. Don't let the fact that the district is holding funds in reserves for emergencies be an excuse for not increasing operating funds for our schools so our student can have access to counselors, libraries, and enough teachers to reduce our class sizes.

You also have operating department choices. The latest overtime report from PICA shows these costs were \$250 million for police, fire, and prisons. It's hard to wrangle these costs but it seems quite reasonable to ask these departments to improve their overtime controls to generate a 10% savings so we can fund the schools.

The proposed budget increases debt service for the full \$800 million housing investments. That's a great initiative, and to be clear, the city can adjust the debt service schedule for these investments to responsibly come up with the funds our schools need.

Only two months ago, we gave every member of council a report on the struggles of children in this city. There is no world in which it makes sense to wait to provide more funds for our schools.